

22 May 1958

MEMORANDUM FOR: [REDACTED] 25X1A9a

SUBJECT: Availability of East German Investment Information

1. The following paragraphs expand our requirements for investment information given in the draft IPC report on East Germany. Formal requirements are being submitted through channels. In the meantime, I felt that this information would be of interest to you and to [REDACTED] I discussed this subject with [REDACTED] prior to his departure. 25X1A9a

a. As with most of our East German data stated in value terms, we now have considerable figures on investments but lack the explanatory material necessary for an adequate interpretation. It is realized that this kind of information is difficult to obtain. However, please emphasize our interest in receiving explanatory information with statistical reports whenever possible.

b. Specific points which should be explained are:

- (1) Definition of categories on which reports are given (e.g., is investment gross or net?).
- (2) Statement of changes in coverage from year to year.
- (3) Statement of prices in which data are given.

c. We now have an industrial investment series from open sources (cf., Statistische Praxis, #4, April 1957) and another from covert sources (MRK 17522). These two series are of the same order of magnitude, but deviate in some respects. Any information which might help in reconciling the two series would be most welcome.

d. One of the greatest needs currently is a deflator series for investments. The East Germans have discussed the need for and the methods of producing one (Statistische Praxis, #3, March 1957), but have not published an official deflator.

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e. The changes in investment accounting in the revised Second Five-Year Plan will present new problems of data incomparability. Consequently, we are especially interested in any accounting details which help us to determine the effects of the changes.

25X1A9a2. Tell [REDACTED] that things are going along well on the NIS and that we are settled in our new quarters.

[REDACTED] 25X1A9a

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